

927



**Human Services Committee
February 24, 2008
American Cancer Society Testimony**

**SB 927 An Act Concerning The Quality Of Services For
Recipients of Services Under a Medicaid Waiver.**

Good morning. My name is Bryte Johnson and I am the State Director of Government Relations and Advocacy for the American Cancer Society.

The American Cancer Society strongly supports SB 927, specifically pertaining to Medicaid coverage of smoking cessation services.

Each year in America, tobacco use causes more than 440,000 deaths among smokers and contributes to disability, pain and lost productivity for many others. Tobacco use costs the U.S. economy over \$194 billion each year in direct health care costs and lost productivity. Men who smoke have \$15,800 more in medical expenses over their lifetime than non-smokers and women who smoke have \$17,500 greater lifetime expenses. Each year, a smoking employee costs employers \$1,850 in additional direct medical expenses and \$1,897 in reduced productivity. Secondhand smoke causes between 35,000 and 40,000 deaths from heart disease every year and the total annual costs of exposure to secondhand smoke are estimated to be at least \$5 billion in direct medical costs and at least \$5 billion in indirect costs.

Currently, 455,850 (17%) adults in Connecticut smoke, spending on average \$1825 per year on the habit and costing the state \$1.63 billion in related healthcare costs as well as in excess of \$1 billion in smoking related loss of productivity. Connecticut annually receives in excess of \$420 million in MSA and Tobacco tax revenue while spending barely over 1% of that revenue on tobacco prevention and cessation programs

Research indicates that one of the most effective and sweeping methods of significantly reducing smoking among adults and youth is through providing cessation services. 70% of Connecticut's smokers indicate they want to quit while 40% attempt to quit each year. While the percentage of successful quits is encouraging, many fail because, in part, of a lack of access to successful cessation programs.

Smokers and other tobacco users need access to a range of treatments and combinations to find the most effective cessation tools that work for them. Not all tobacco users are the same; they vary in what products they use, how much, how often, and individual medical conditions. Nicotine addiction is classified as, and should be treated as, a chronic disease. Tobacco users often need several attempts over a period of years to quit successfully.

People covered under Medicaid are the hardest hit because the program does not provide adequate smoking prevention and cessation services to help prevent or minimize tobacco-related disease. According to the National Conference on State Legislatures, Connecticut is one of only 7 states and the only state in the Northeast, including all of New England, that does not provide Medicaid coverage for at least one of the three primary smoking cessation services: nicotine replacement therapies, counseling or prescription drugs.

The need is critical. There are 30% of Connecticut Medicaid beneficiaries that smoke, which is almost a 50% higher rate than the population as a whole. Tobacco use costs Medicaid over \$30 billion annually in direct health care costs, including \$400 million in Connecticut per year, almost 9% of the total state Medicaid expenditures. Tobacco cessation services, including nicotine replacement treatment, counseling and prescription drugs, ranked amongst the top two preventative health services in a systematic assessment of 30 services. For as little as \$200 per smoker over their lifetime, Medicaid beneficiaries could have access to proven cessation services that will help them quit successfully.

If that number seems too much, please consider that in 2009 the burden from smoking related expenditures in Connecticut, regardless of whether you smoke or not, is \$682 per household. Nationally, costs from smoking are 325 times greater than state expenditures for tobacco control programs.

Providing tobacco users with access to both medication and cessation counseling increases quit rates by 40%.

Connecticut faces very real and serious budget deficits. This fiscal emergency will need to be addressed through painful and necessary solutions and all options need to be on the table. As we continue to feel the impact of this economic downturn, it is important that we look for creative ways to increase revenue that will allow us to protect access to the full range of health care, including tobacco prevention and cessation services.

Funding Medicaid coverage of cessation services allows for the state to take advantage of federal matching funds, reach a higher concentration of lower income smokers and ease the impact tobacco related illnesses have on the cost of the program.

The Finance, Revenue and Bonding Committee recently heard testimony of SB 930, which would increase various cigarette and tobacco taxes. We strongly support that legislation and would point out that an increase in the state cigarette tax would bring in substantial new revenue, a portion of which could be used to fund Medicaid coverage. A cigarette tax increase along with Medicaid coverage for cessation services would substantially reduce smoking rates and smoking-caused health care costs.

We ask your support on SB 927 and the American Cancer Society stands ready to work with you to most effectively address smoking related health care issues.

Thank you.

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